Climate Technology Program | In Brief

No. 6

Creating a Hub, Creating a Buzz: How to Attract the Best and Brightest for Climate Innovation in Developing Countries

As activity ramps up in climate innovation for developing countries, organizations are finding that attracting quality talent and companies to such efforts is both a key success factor and one of the most intractable challenges in nascent clean tech sectors. Boosting the profile of an organization that supports climate innovation greatly helps draw the diverse sources of expertise needed to enable bottom-up climate solutions. This brief examines lessons from the World Bank's seven Climate Innovation Centers on setting up buzzworthy hubs to attract top talent and companies in emerging clean tech markets.





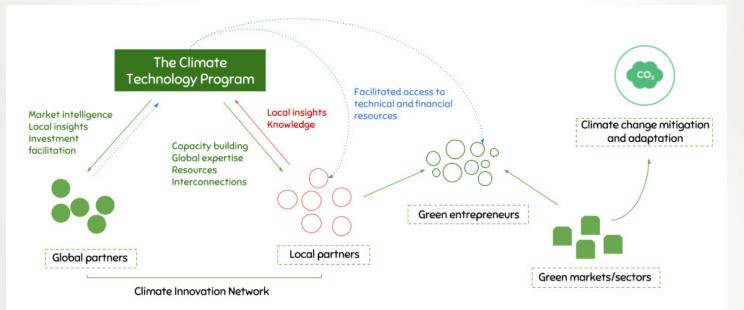
Introduction

The World Bank Group's Climate Technology Program (CTP) set out in the late 2000s on the ambitious task of growing the nascent, and sometimes nonexistent, climate innovation sectors in developing countries heavily impacted by climate change but having the potential to grow a vibrant clean tech private sector (figure 1). Recognizing that local capacity is needed to develop appropriate solutions, the CTP launched seven Climate Innovation Centers (CICs)—locally owned institutions that support clean tech ventures in Kenya, Ghana, Vietnam, and other countries. Since then, the CICs have met several milestones but also grappled with challenges endemic to resource- and capacity-poor environments. This In Brief discusses insights the program has gleaned along its journey, with a focus on the importance of top talent to an organization's success, and how to establish oneself as a buzzworthy hub to attract that talent and other resources.

The Need for Top Talent

Initiatives for climate innovation in developing countries have launched one after another in the past few years, with announcements filling many an in-box. While it seems like substantial attention is directed at the space, the crowding in of international players has, as yet, brought only mixed success and results. The reasons for this are myriad, from sparse local infrastructure to competing initiatives to stubborn local cultures. Developing countries typically lack the financial institutions, supply chains, policies, and riskfriendly spirit to spur native clean tech start-ups—aspects that no one organization or initiative can alter on its own. Furthermore, well-intentioned international players launching initiatives end up competing for talent, companies, and eyeballs in an already resource-poor space. Finally, there are often cultural barriers at the grassroots level as well as at the top organizational levels to new climate solutions. For example, target consumers may be unwilling to adopt new





technologies, or climate change may rank low on a country's political agenda. These issues—inertia to new developments, and competition for a meager talent pool amid bare-bones infrastructure—can conspire to cripple new organizations.

A new entrant on the local climate innovation scene needs substantial resources to overcome these challenges. Creating a high profile is one of the most effective ways to attract those resources, both capacity-related and otherwise, as well as promising companies to invest in. In a positive feedback loop, successful alumni companies and an effective leader and team will in turn boost the organization's image and reach.

Attracting the Best and Brightest

Finding a capable leader and team for the organization, as well as the right companies to support, are some of the key steps an organization can take to increase its chance of success.

A competent chief executive officer is one of the most highly sought assets to any new organization, but for climate innovation in a developing country, a top-notch CEO is even more indispensable because of the particular challenges of the space. The ideal CEO for such an organization is a "champion," defined as someone who is a highly respected fixture in the local ecosystem with the social clout, passion, and leadership skills to fight for a cause. This type of CEO has the deep knowledge and connections in the local community to procure resources and favors outsiders would be hardpressed to gain. This is especially pertinent in emerging markets where there is little formal infrastructure in place to obtain these resources. This CEO will also, in turn, help boost the organization's brand and attract a talented team in a positive feedback loop.

Because of the high demand for champion CEOs, it is typically hard to woo one to a new, to-be-proven organization. Several institutions will be offering high salaries, attractive perks, and talented workforces to lure the CEO—in the local scene and abroad. To differentiate itself from the competition, a new entrant must present a worthy mission to the potential CEO, and the chance to expand his or her social capital and reputation. The organization ought to position its brand as a locally owned organization willing to break new ground and take the CEO's lead, and have generated enough buzz in the community to catch the potential CEO's interest.

A champion CEO can then help attract a competent team, as well as determine the structure of that team – crucial elements in the ultimate success of an organization. A harmonious team will be able to swiftly deploy the vision of the CEO, as well as add their own insights and strengths to enrich that vision.

Of course, a climate innovation organization would be nothing without star alumni. Breakout companies both demonstrate the strength of the organization's program and prove the viability of their market. The right CEO can help attract promising companies, as well as the strong support staff to nurture them. The organization should also take care in selecting their firms. A firm selection strategy that targets quality over quantity is a more sustainable route for climate innovation: most clean tech firms are based on hardware and have high upfront capital costs and long paths to maturation. This requires substantial levels of investment—something not feasible with a large cohort and limited resources. So, a small but quality cohort has the greatest chance of success. An alternative option is a funnel of support: a wide applicant pool gets trimmed with successive hurdles, paired with increasing support, to surface the best companies. Those few companies then receive the full services of the organization.

Building a Buzz

Through both victories and failures, the CICs have realized the importance of building a buzzworthy hub to address these issues. Here are lessons learned on a successful approach—namely, establishing a presence with high-profile partnerships, using the right marketing channels, timing events to keep momentum, and building a strong brand for the organization.

1. Establish Your Presence Early with High-Profile Partnerships and Events

As a new entrant to the climate innovation arena of a country, nothing builds buzz better than the debutant hosting a conspicuous event with a reputable local partner. The new organization will gain considerable credibility by its affiliation with the local partner, and attention gained from the event will kick the organization into high gear as the publicity spurs client applications. While new organizations may be hesitant about publicizing themselves early, they should not doubt their readiness for the spotlight: the benefits gained from hosting events outweigh any qualification concerns.

Kenya CIC Reaps Rich Rewards with High-Profile Partnership

In 2013, Kenya's Nation Media Group approached Kenya CIC (KCIC) about co-sponsoring an event, "The Next Big Thing," along with their publication, Business Daily. The event was a high-profile, annual conference gathering entrepreneurs across all sectors to compete for financial prizes, support, and visibility. The KCIC staff hesitated at first, concerned that they weren't well established enough to take on such a role. Nevertheless, they signed on. It was a good decision. That first year, the competition drew more than 2,000 applications across 13 categories. The KCIC's role in sponsoring the renewable energy, agribusiness, and water sanitation categories put it on the map for emerging entrepreneurs, where winners would go on to work with the KCIC. Over the next few years, as the KCIC continued to partner with Business Daily on "The Next Big Thing," the event proved to be a valuable pipeline of new clients and it kept the KCIC's profile visible in the region's innovation network. Lesson learned: never underestimate the impact of a great partnership and hosting events when it comes to raising your profile and building clientele.

2. Tailor Your Marketing Channel to the Local Context

Crafting a great message is essential, but it will have low impact if it can't reach the target customer—a common issue organizations face in a new environment. International players entering a regional market may be tempted to use the communication channels they are familiar with, but they must



Scene from Caribbean GreenTech Startup Bootcamp in Barbados. © The Caribbean Climate Innovation Center

tailor their methods to regional norms. While social media channels (such as Facebook, Twitter, and so on) dominate in some countries, television, radio, or even word of mouth may be more relevant in other countries. It is part of a new entrant's due diligence to find the primary mode of communication and broadcasting in the local context.

Caribbean CIC Boosts Reach by Tailoring Marketing Channel

In early 2014, the Caribbean CIC (CCIC) put out a call for proposals for their first proof-of-concept (PoC) competition. They used the usual channels: social media, local newspapers. They received a paltry number of applications, mainly from Jamaica, even though they targeted all of the Caribbean countries. Bemused, the CCIC staff consulted with the local team, who had a hunch. As it turns out, radio is a much more popular channel in the region. The team put together the messaging for a radio jingle, which played for a month throughout the islands. The radio campaign was paired with informational sessions held by local hub partners scattered throughout the Caribbean, where participants were directed by the jingle to get more information. The hub partners made sure interested applicants got all the information they needed. The results were impressive: the team subsequently received more than 200 applications for the PoC competition from all across the Caribbean islands. As staff noted afterward in interviews, "It really paid off in getting a lot of the word out." Knowing the right channels for your regional context can be decisive in whether or not your message gets heard.

3. Timing is Everything

While successful CIC activities generated valuable lessons, perhaps the best lessons came from forays that didn't quite go as desired—a common occurrence when establishing an unprecedented sector in the developing world. A key lesson was on the importance of realistic timing (particularly, to prevent possible delays and keep momentum going) and having a proactive communications strategy. When establishing a fresh venture, organizations should have all major components, including business plans and funding, settled before embarking on major marketing efforts or workshops. This way, incoming companies will experience a seamless transition from their first interaction with the organization, to acceptance into the program, to beginning the program. Of course, things go awry with time lines, especially when working in an unknown space. As there is no preexisting trust between players and clients to fall back on when this happens, it's important to ensure that all stakeholders are consistently and reliably informed on the timing of next steps, funding, and other details. One of the most likely crimps in a planned launch is a delay—either due to finalizing the business design, availability of funding, availability of mentors, or all of the above. If the delay drags on, organizations can lose the trust of companies and other stakeholders if they are not realistic with timing early on. It is better to set the right expectations than to disappoint stakeholders down the road.

CICs Learn the Importance of Timing

In December 2014, the Vietnam CIC (VCIC) organized a four-day boot camp for prospective applicants. Twentyfour clean tech start-ups worked on their product strategies, business models, and marketing pitches, graduating from the boot camp with the expectation of joining the to-be-launched VCIC in six months. Unfortunately, the VCIC was far from being launched. It took two more years for the VCIC to obtain the necessary grants and settle on their business structure to launch. In the meantime, several start-ups expressed disappointment in delayed funding and support, and donors were not happy. In Africa, the Ghana CIC (GCIC) experienced similar troubles; an extended delay in launching, mostly due to comparable bureaucratic issues, meant irritated clients. Fortunately, in both countries most of the clients still found it worthwhile to wait for the CIC's eventual launch. But the CTP learned its lesson: when launching a new CIC, have all the requisite components settled (structure, grant funding, mentorship, and services) before drafting the start-ups, and be very transparent with them on the process and possible timing. It's better to be pragmatic and wait to market a new launch than disappoint start-ups with premature hype.



The Ghana Climate Innovation Center held a "Green Innovators Bootcamp" at Ashesi University College in February 2015. It was an intensive two-day program for potential green businesses with innovative ideas, concepts, and products. © InfoDev/The World Bank Group

4. Make Your Brand Strong

Last but not least, keep your brand strong. One of the risks of partnering with other organizations, especially better-known local players or even a consortium of players, is losing one's visibility in the mix. Thus, great partners can come with both blessings and nuisances. A new player should work to keep its name prominent, especially when co-hosting high-profile events. Otherwise, it forfeits one of the biggest rewards for hosting the event: increased name recognition (box 4). Additionally, annual events are productive because they keep one's brand in the public discourse year after year. With annual events, an organization can build up a cohort of past participants, creating a network that draws more people and perpetuates the brand on its own.

Morocco CIC's Search for Brand Buzz

The Morocco CIC (MCIC) hosted a big conference with Morocco's Cluster Solaire and government partners to kick off their launch in 2014. While the event was successful, it didn't deliver as much buzz for the MCIC as desired. One of the reasons may be the crowding of high-profile partners: they tended to overshadow one another at times. For example, Cluster Solaire's logo was prominently displayed on conference materials, whereas MCIC's logo was crowded with several other logos at the bottom of the page. If an organization puts in the effort for a highly visible event or publication, they should make sure their branding is clearly defined.



The Climate Technology Program's Jonathan Coony poses during a visit to the Morocco Climate Innovation Center (MCIC). The MCIC, partnering with the Moroccan Solar Energy Agency (MASEN) and Cluster Solaire, in 2014 hosted the first Climate Technology Forum in the region dedicated to clean technologies and local small and medium enterprises in. © InfoDev/The World Bank Group

Conclusion

When the CTP set out to build these CICs, it had a daunting task: establish climate innovation networks and services in countries barely familiar with the sector but at most risk to the ravages of climate change. Through both successes and drawbacks, the centers have gleaned indispensable insights on how to engender interest—and thus gain resources—for a self-sustaining clean tech organization in these challenging contexts. Key lessons include cementing one's presence with high-profile partnerships and events, drawing the best capacity through a worthy cause and bottom-up development, communicating through the right local channels, the importance of timing, and making the brand strong. By incorporating these lessons, a new climate innovation organization may embed itself deep enough in its local ecosystem to obtain and direct the considerable resources the developing clean tech sector needs to grow and thrive.

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About Us

The Climate Technology Program (CTP) In Brief series is a publication of the World Bank Group's Trade and Competitiveness (T&C) Global Practice and infoDev. infoDev's CTP is managed by the Innovation and Entrepreneurship Unit of T&C.

CTP focuses on the growing opportunities of the clean technology sector in developing countries. Through a global network of seven Climate Innovation Centers, the program provides local entrepreneurs with the knowledge and resources they need to launch and scale their innovative business solutions to climate change. CTP In Brief is a series of knowledge briefs highlighting important aspects of the CTP global and in-country operations and research.

Learn more at www.infoDev.org/climate.

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